

**ALBERTA BEEF PROCUERS
MINUTES FOR THE BOARD OF DIRECTORS MEETING
THURSDAY JANUARY 14, 2016, 8:30 a.m.
AT THE ABP BOARD ROOM, CALGARY, AB**

Present: Bob Lowe - *Chair*
Roland Cailliau - *Vice-Chair*
Charlie Christie - *Finance Chair*
Howard Bekkering - *Zone 1*
Cecilie Fleming - *Zone 2*
Chris Israelson - *Zone 3*
Tim Smith - *Zone 4*
Kelly Fraser - *Zone 5*
Tim Sekura - *Zone 6*
Colin Campbell - *Zone 7*
Lyndon Mansell - *Zone 8*
John Buckley - *Director at Large*
Rick Friesen - *Director at Large*
Melanie Wowk - *CCC Chair*
Bryan Thiessen - *CFC Chair*
Greg Bowie - *Past Chair*

Staff: Rich Smith - *Executive Director*
Fred Hays - *Policy Analyst*
Laura Proconier - *Controller*
Rosanne Allen - *Executive Assistant*
Katelyn Laverdure - *Communications*
Karin Schmid - *Beef Production*

Absent: Norm Hennigar - *Zone 9*

The chair called the meeting to order at 8:35 a.m.

1. Adoption of Agenda

(a) Adoption of Agenda:

Additions: 6(h) Grazing Lease update; 6(i) SPCA update;
6(j) A&W Producer Profiles;

Motion by Mansell/Buckley:

“That the agenda be approved with changes.”

Carried

2. Minutes of the Previous Meetings

(a) Minutes of the December 7, 2015 meeting:

Motion by Buckley/Friesen:

**“That the minutes of the December 7, 2015
Board of Directors minutes be approved as
presented.”**

Carried

(b) Minutes of the December 8, 2015 meeting:

Motion by Thiessen/Fleming:

**“That the minutes of the December 8, 2015
Board of Directors minutes be approved with
changes.”**

Carried

(c) Minutes of the December 9, 2015 meeting:

Motion by Bekkering/Fleming:

**“That the minutes of the December 9, 2015
Board of Directors minutes be approved with
changes.”**

Carried

3. Financial Report

(a) Financial Statement ending December 31, 2015:

Christie presented the financial statement for the period ending December 31, 2015. There are no surprises or unusual items in the statement and our expenditures are close to where they should be at this stage of the fiscal year. There is a big difference in marketings from the same period last year, but Cargill is two months behind in submission of check-off funds due to a change in staff members.

Motion by Christie/Friesen:

**“That the financial statement be accepted for
information purposes only.”**

Carried

4. Decision Items

(a) Director Orientation and Questions:

At the beginning of each new year, the directors receive a binder containing information related to the organization. R. Smith spoke briefly to the directors about the various documents in the section. He explained the background behind the Conflict of Interest document and asked the directors to read the document, sign the last page, and return it to him promptly. The directors are asked to sign the document every year.

Buckley described the ABP Policy Manual and explained how it was developed, noting the difference between the Means and Ends Policies. ABP had operated for a long time on history, tradition and culture, but it is important that policies are recorded and available for all to review and use when needed.

(b) CCA Legal Assessment:

The CCA legal fund has dropped below \$250,000 again and this has triggered an assessment for the provinces. ABP does not budget for the legal assessment, but has generally paid the assessment out of the Trade Advocacy Fund.

The directors were pleased that we had finally won the COOL battle, but agreed that the billions that were lost to the industry will never be replaced. With the repeal of COOL, there is some expectation that the legal fees paid by CCA will decline, but CCA may use the opportunity to build up its legal reserves.

Motion by Campbell/Thiessen:

“That ABP pay the Canadian Cattlemen’s legal assessment of \$140,288.85 from the Trade Advocacy Fund.”

Carried

(c) Bill 6 Strategy:

There are a number of people and organizations that are very interested in this Bill. The Agriculture Sector Bill 6 Coalition consists of the Boards and Commissions in Alberta, along with other invited organizations. Most of the members of the coalition have been meeting with the government on the subject of safety for some time. A formal inaugural meeting of the coalition will be held on January 22, 2016 and ABP will have three representatives at this meeting. The ABP Executive spoke with Minister Carlier earlier in January about the Bill 6 consultations.

Clarity is needed on some of the phrasing in the bill because of the ambiguities in the legislation. WCB and OH&S came into effect on January 1st for paid, non-family employees on farms and ranches. Now, the government has promised to consult with stakeholders on the development of labour relations regulations, employment standards, and the OH&S Code. The government is creating six working groups to provide a forum for this consultation. There is some concern that the working groups will not have a sufficient level of influence on the regulations and standards.

The directors discussed whether there is enough communication among all the groups seeking to represent farmers and ranchers. We know that the Alberta Ag Initiatives Group, the Rural Alberta Roots Agriculture Advisory Council, the AAMD&C, and UFA all have expressed an interest in participating in the consultations. After much discussion, the directors decided that our participation in the Coalition was likely the best way to work with all other sectors of the industry and there was no need to join or formally meet with any of the other groups. The directors also authorized the Executive to take appropriate actions related to Bill 6 as the need arises. The ABP Bill 6 Task Force was meeting right after the Board meeting.

(d) Alberta Cattle Feeders Association (ACFA) and Industry Funding Strategy:

The board discussed the ACFA resolution that was brought forward at the AGM. It seems that the intent of the resolution is for ABP and ACFA to work on a joint plan before we begin discussing industry funding, but it is not clear to our Board why the National Beef Strategy is not satisfactory as a joint plan. Bryan Walton has asked Lowe to speak about industry funding at the ACFA AGM next week.

ABP has direction from producers to resolve the funding issue and before we can move forward, we need to find out if ACFA will be moving forward with us.

On the National Check-Off increase, the ACFA is saying it is not prepared to support the increase until they see proper budgets and a governance plan. However, the plan and the budget for the strategy have been developed and the National Cattle Feeders’ Association (NCFA) was fully involved in this process.

(e) Canadian Beef Industry Conference:

Laverdure is involved with the program and marketing committee for this conference. In past years, ABP has sponsored representatives of US state cattle organizations to attend ILC. R. Smith and the Executive suggested we set money aside to sponsor a tour right before the conference. Fleming is sitting on the sponsorship committee and there are opportunities for ABP to become a sponsor. We will approach the Canadian Consulate offices regarding invitations to U.S. state cattle organizations.

Motion by Buckley/Cailliau:

“For the ABP staff to investigate the cost of Alberta Beef Producers sponsoring the pre-conference tour of southern Alberta with a target budget of \$10,000.”

Carried

(f) ABP Budget Process:

Our fiscal year end is March 31st and at the February board meeting we normally bring forward a preliminary budget for Board consideration. A final budget is approved at the March meeting knowing that some adjustments will be made at the April board meeting once we know our financial position at year-end.

(g) Wildlife Forum - Colin Campbell:

The wildlife survey that ABP funded through the Miistakiis is available on our website. It shows that while the majority of producers appreciate wildlife and recognize that maintaining their habitat is important, there are definite problems that need to be addressed. This report was distributed to government people who had an interest in it. The Wildlife Committee met with Alberta Fish and Game and Campbell and Rick McKnight met with AGMAG. There are concerns that the people bearing most of the costs of having wildlife on our land do not benefit directly from the wildlife. At the end of January, ABP is

presenting a wildlife forum in Edmonton in which a number of stakeholders will be participating.

Carried

The committee is also pushing producers to report all predator kills.

(h) Livestock Assurance Fund Tribunal Appointment:

For the past year, our member has been Brian Chomlak and our alternate is Greg Bowie. Chomlak suggested that our tribunal member should come from the Board. There is usually one meeting of the tribunal each year unless there is a hearing.

Motion by Fleming/Buckley:

“That ABP Board of Directors approve the appointment of Greg Bowie as their representative on the Livestock Assurance Fund Tribunal.”

Carried

Motion by Buckley/Israelson:

“That Tim Smith be approved as the alternate representing ABP on the Livestock Assurance Fund Tribunal.”

Carried

(i) Intensive Livestock Working Group (ILWG) Appointment:

This is a group of nearly all of the livestock organizations in Alberta that was established in 1998. Most of the ILWG members are represented by a producer and a senior staff member. Stuart Thiessen has been the producer appointed by CFC and Rich Smith has been appointed by the Board. R. Smith has agreed to continue if that is the Board’s wish.

Motion by Friesen/Bekkering:

“That Rich Smith continues to represent ABP on the Intensive Livestock Working Group.”

Carried

(j) Audit Committee Chair:

The Audit Committee consists of a representative appointed from the Board and one each appointed from the council’s. The fourth member of the committee is an independent non-delegate appointed by the committee. Bryan Thiessen was appointed by the Board, Mike Lutzak represents the Cow Calf Council and Jimmy Nelson is from Cattle Feeder Council. Brian Chomlak has been selected as the non-delegate member and the committee is recommending that the Board appoint Chomlak as the committee chair.

Motion by Thiessen/T. Smith:

“That the ABP Board of Directors approves the appointment of Brian Chomlak as the Audit Committee Chair.”

(k) Board of Directors Resolutions from Fall Meetings:

1. Motion by Fleming/Bekkering:

“Be it resolved that ABP promote that the brand inspectors use their LIS access to the Canadian Cattle Identification Agency website regarding tracing missing cattle.”

Zone 2

Defeated

At the Zone 2 meeting, a CCIA member stated that there is someone at LIS who can access the CCIA database. The only people at LIS who have access to the CCIA database are the RCMP officers and they need a warrant to gain access.

2. Motion by Cailliau/Buckley:

“Be it resolved that the ABP Executive contact beef producer groups in NE British Columbia to get assistance in coordinating wolf control efforts by Alberta and BC Fish and Wildlife.”

Zone 9

Carried

There are a number of producers in northern Alberta who have grazing leases in both Alberta and BC. They are having problems with wolves in both provinces and would like to get these two organizations speaking to each other to help resolve the problems.

3. Motion by Campbell/Buckley:

“Be it resolved that ABP lobby all jurisdictions involved with undeveloped road allowances to develop and implement a consistent, fair and equitable policy related to use of undeveloped road allowances in agricultural areas with consideration and awareness of diversity of the province.”

Zone 7

Postponed

In most leases and agriculture areas in Alberta there are undeveloped road allowances. Municipalities are responsible for these road allowances but each one addresses the problems differently.

Motion by Thiessen/Buckley:

“That further discussion be postponed until more information can be gathered on how municipalities deal with road allowances.”

Carried

(l) AGM Resolutions:

The directors discussed actions on the resolutions that were carried at the AGM. The Board is already working on most

of the resolutions, but a few were sent to a committee or council.

5. In Camera

6. Discussion Items

(a) ABIC Attendance:

The Alberta Beef Industry Conference will be held in Red Deer from February 17th to 19th. The Board of Directors will meet on the Wednesday and ten rooms have been reserved for any directors who are interested in attending the conference afterward. ABP will pay for the registration and rooms for these directors, but no honoraria are paid for attending the conference. Wowk, Fleming, Cailliau, Lowe, Christie, Fraser, Mansell, T. Smith, and R. Smith will attend the conference.

(b) Bill 202:

This is a private member's bill brought forward by an MLA who seems to have little knowledge of our agriculture and food industry or how the bill will affect producers. The bill could force public sector institutions to purchase food locally whether it is economical or not. There have been amendments to the bill that make it less intrusive, but we will need to watch the progress of this bill and be ready to address the impacts of the bill if it passes the legislature.

(c) CCIA Tag Retention Project Report:

Bekkering updated the board on the report which includes preliminary findings from the mature cow portion of the national Tag Retention Project. These findings are based on the mature cow data collected in 2014, three years after the beginning of the project. The tag retention across all the project herds had an average of 88.9 per cent with tag losses ranging from 3.8 to 35.3 per cent. Recommendations to reduce tag loss and tag readability problems will be included in the final report.

(d) Alberta Beef Quality Starts Here update:

There are over 8000 producers in Alberta who have taken the ABQSH training; of these, 341 operations have been certified. They are working towards VBP+ and the national rollout at the end of March. Fleming has been selected as the chair of the VBP+ Transition Committee. She will be looking for representation from each province. At some point soon, ABP will be asked for a representative to sit on the Transition Committee. The goal is still to have VBP+ available by April 1st.

During the second week of February, McDonald's will be doing some sustainability pilot project workshops in northern Alberta.

The NCFE Feedlot Level Assessment Tool (FLAT) is being promoted as an animal care assessment for feedlots.

They have received PACO Certification. There are concerns about the complexity and requirements of the tool. The CRSB will not make this tool a requirement for feedlots, but they also won't make VBP+ the only acceptable verification process. CCA need to be stronger in their support for VBP+ and their dealings with the NCFE.

(e) Canada Beef Inc update:

Bowie and R. Smith reported on the NCO funders meeting that they attended in Montreal at the beginning of January. Alberta presented a new organizational structure model for the NCOA that is more clear and straightforward than the chart prepared by Canada Beef last year. This model was supported by the funders at the meeting and we hope that NCOA and Canada Beef move forward following this model. There also was broad support at the meeting for increasing the NCO to \$2.50 with only Ontario and the ACFA not supporting the increase. The timing of the increase is important because BCRC will need a commitment for increased funding by 2017 in order to maintain the funding level for the Beef Cattle Science Cluster in GF3. Melinda Germin has accepted the position at the NCOA administrator.

(f) Council and Committee Reports:

(i) Cattle Feeder Council:

The council will be meeting on January 15, 2016.

(ii) Cow Calf Council:

Will have their first meeting Feb 8, 2016.

(iii) Environment Committee:

Meeting on February 12, 2016.

(iv) Research Committee:

Contracting out the forage projects, working on antimicrobial use.

(g) Zone reports:

Zone 1: The zone cooked steaks for the crowds at the Medicine Hat Pen Show. Beth Castle and Cecile Fleming were thanked for all of their help.

Zone 6: Camrose Beef Congress is January 22, 2016.

(h) Grazing Lease report:

Buckley informed the Board that the Alberta Land Institute (ALI) had released the final version of the *Alternative Models of Compensation on Alberta's Crown Grazing Lease* report. ABP had participated in a workshop that discussed a draft version of this report. The report examines policies for the compensation of leaseholders for surface (oil and gas) disturbances on Crown grazing leases. The report assesses the current Alberta policy on this compensation and compares it to policies in Saskatchewan, the Municipal District of Taber, the Thurber Report from

1998 and regulations from that time that were never proclaimed. Just as the Auditor General's report of July 2015 did, the ALI report notes the high value of compensation payments received by some leaseholders and suggests that the government could change its policies to receive more of this money. The report also recognizes that changes in the compensation policy could have significant impacts on the agriculture sector and may adversely affect the relationship between the energy and agriculture sectors. ABP has addressed the surface disturbance compensation issue in our Grazing Lease Policy and our response to the questions Environment and Parks Minister Shannon Phillips posed at the Grazing Roundtable last September. However, we should be prepared to respond to the report and be consistent with the position of the WSGA and AGLA.

(i) SPCA:

The Board was told about a situation where the SPCA seized a herd of cattle in severe distress, including some animals that had died, but later returned the animals to the owner. The directors recognized that we still need much more clarity about the roles and responsibilities of all agencies dealing with animal care issues and we will press Alberta Agriculture and Forestry to take action on resolving this uncertainty.

(j) A&W Producer Profile:

An ABP delegate contacted his zone director asking if ABP would be okay with him participating in an A&W producer profile series. ABP supports diversity in beef marketing and while we had issues with the approach A&W took in its advertising campaign, we respect their right to purchase beef of their choice to sell in their stores. The Board also has no desire to interfere with the business and marketing decisions of a delegate and did not see any problems with the delegate participating in this series. The directors did appreciate the delegate discussing the matter with his zone director.

7. Reading Materials

- (a) 2015 BOD Resolutions and Action Items:
- (b) Beef Supply at a Glance:

8. Next Meeting and Upcoming Events

- (a) Board meeting – February 17, 2016, Sheraton Hotel, Red Deer, AB
- (b) Alberta Beef Industry Conference (ABIC) – February 17 – 19, 2016, Sheraton Hotel, Red Deer, AB
- (c) Staff Appreciation Event – March 16, 2016, Eau Claire Distillery, Turner Valley
- (d) Board meeting – March 17, 2016, ABP Board Room, Calgary, AB
- (e) Board meeting – April/May – TBD

- (f) Board meeting – June 13, 2016, Delta South Hotel, Edmonton, AB
- (g) Semi-Annual General Meeting – June 14, 2016, Delta South Hotel, Edmonton, AB

9. Adjournment

The meeting was adjourned on a motion by Bekkering at 2:50 p.m.